# HealthLine

DPA

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July 2008

## Medical Insurance Supplement for Low-Income State Employees—

## Apply for the Supplement July 28-August 15, 2008

In 2007, Governor Ritter signed HB07-1335, a bill passed by the Colorado legislature designed to address the cost of medical insurance for low-income state employees with children. This bill will be implemented in the current FY09 Plan Year (July 1, 2008–June 30, 2009) and a supplement for medical insurance will be made available to some qualified low-income state employees with dependent children. This supplement will be used to reduce the employees' cost of medical insurance for the FY09 Plan Year.

The supplement is for those low income employees currently enrolled in one of the State's medical insurance options, as well as those *not* currently enrolled. Employees not enrolled who are approved for the supplement must then enroll in one of the State options to receive the supplement.

Employees who meet the minimum eligibility requirements should apply between July 28 and August 15, 2008.

### **How Much of a Supplement?**

Not everyone who meets the minimum qualifications will receive the supplement, as the money is to be awarded based upon demonstrated need and within the parameters of HB07-1335. There are many qualifiers stipulated in the statute regarding distribution of the money, meaning that the supplement probably will not completely cover the cost of medical insurance premiums, but will only pay a *portion* of those premiums.

Because the amount allocated for this supplement program will not be determined until September 2008, employees should understand that the exact amount of the supplement will not be available in advance. Determining the number of qualified applicants is the first step in calculating the supplement amounts.



MINIMUM qualifications for state employees

- 1. Have been hired prior to July 1, 2008
- 2. Be eligible for state medical insurance options
- 3. Have a dependent child eligible for state medical coverage.
- 4. Have a 2007 calendar year, household income of 300% or less of the 2007 Federal Poverty Level (FPL). (What are these levels?) The FPL is tied to the number of people in your household. \*
- 5. Have filed a 2007 federal income tax return
- 6. Employee and dependent children (and spouse if desired) must be enrolled in, or willing to enroll in, one of the State's medical insurance options for the current FY09 Plan Year (July 1, 2008–June 30, 2009). \*\*
- \* Example—300% of the Federal Poverty Level for a single parent with two children (a total of three household members) is \$51,510. **Caution:** Please read the "Questions" at the end of this article for a discussion on how the money is to be distributed among those at 200%, 250% and 300% of the Federal Poverty Level.
- \*\* Employees NOT currently enrolled in one of the State's medical options, but who meet the eligibility requirements may apply for the supplement. If approved, these employees will be given an opportunity to enroll in State medical coverage. At that time, the approximate amount of the supplement will be known and if that amount still does not make medical insurance affordable for an employee, that employee will not be required to accept the supplement or to enroll in the State's medical insurance.

(see **Supplement** on page 2)

(**Supplement** from page 1)

### How to Apply? When to Apply?

- Application period: July 28–August 15, 2008. Employees must use the online application process available through the Employee Benefits Web site—www.colorado.gov/dpa/dhr/ benefits. Find the link for "FY09 Supplement Program."
- The application will require information on the employee, family members, household members, household income and recent medical insurance.
- No documentation has to be turned in with the online application, but prior to the awarding of supplements, employees will be required to provide household income documents for all adults (2007 federal tax returns) and documentation that shows dependent children are eligible dependents under state statute (such as birth certificates).
- August
  - After the application period closes on August 15, applications will be reviewed.
- September
  - Those whose applications are initially approved for the supplement will be contacted with further instructions regarding documentation.
  - Initially approved applicants not currently enrolled in a medical option, or whose dependent children are not enrolled, will be contacted and given the opportunity to enroll in medical insurance. Applicants and their dependents currently enrolled will not have to do anything at this time.
- · October—Supplements awarded.

### Questions and Answers about the Supplement Program

### Q. I have limited computer/Internet access. How can I apply?

A. Employees with limited computer/Internet access should contact their departments' human resources (HR) offices. Personnel in these offices can offer assistance in accessing and completing the online application. If you don't how to contact your department's HR office, you can call 303.866.3434/1.800.719.3434 to find out.

### Q. How will the money for the supplement be distributed among qualified applicants?

A. Qualified applicants will be divided into three tiers.

**Tier 1**—Household income at or under 200% of the Federal Poverty Level

**Tier 2**—Household income at or between 201% and 250% of the Federal Poverty Level

**Tier 3**—Household income at or between 251% and 300% of the Federal Poverty Level

### What are these levels in dollars?

House Bill 07–1335, passed by the Colorado legislature in 2007, states that the money is to be distributed first to Tier 1 applicants. Money is not to be distributed to Tier 2 applicants until 100% of the premium for all applicants in Tier 1 can be covered by the supplement. It is very unlikely that 100% of premium can be covered for all of Tier 1 applicants. It is more probable that qualified Tier 1 applicants will receive a supplement that will cover a portion of their medical premium, and Tier 2 and Tier 3 applicants will not receive anything. The amounts of the supplements will be determined by the total number of qualified applicants, available funds, and the cost of the insurance chosen by those applicants.

### Q. I'm not currently enrolled in any of the State's medical insurance options. Can I apply and will I get a chance to sign up for the State's insurance?

A. Yes. Employees, or dependent children, not currently enrolled in one of the State's medical insurance options will be given the opportunity to enroll, after it has been determined that the qualifications have been met. If currently enrolled in a medical plan outside of the State's options, the employee should contact that plan to determine if and how that plan can be cancelled. Employees should not cancel any existing insurance until confirming they will receive the supplement *and* signing up for one of the State insurance options.

## Q. I am currently enrolled in one of the State's medical insurance options. If I am awarded the supplement, will I be allowed to change options?

A. No. Such employees must retain the option in which they are currently enrolled. If the employee is enrolled, but the dependent children are not, the employee will be given the opportunity to enroll the children, but only in the *current* medical option of the employee.



## Q. Do I have to be enrolled in a certain level of medical coverage to be awarded the supplement?

A. Yes. To receive the supplement, employees must be enrolled in one of the State's medical options for either the coverage levels of *Employee* + *Child(ren)* or *Employee* + *Family*.

### Q. Do I have to submit any documentation?

A. No documentation has to be turned in with the online application, but prior to the awarding of supplements, employees will be required to provide household income documents for all adults (2007 federal tax returns) and documentation that shows dependent children are eligible dependents under state statute (such as birth certificates).

### Q. What is meant by "household income?"

A. It is the income of all adults who are living in the household, under one roof—the employee, a spouse, adult children, and any other adults living in the household. The household income must be at or under 300% of the Federal Poverty Level for an employee to meet the *minimum* qualifications for the supplement. The 2007 income tax returns must be provided for each adult.

## Q. If I miss the application period or do not complete my application before the close of the period, will I get another chance to apply?

A. No. The application period will not be extended past August 15. Your application is not complete until you click the "I Accept" button at the conclusion of the process. If the application period closes and you have not completed your application, your application will not be reviewed.

### Q. Where does the money for this supplement program come from?

A. The money for the program is derived from the State's share of the settlement from the federal tobacco lawsuit.

### Q. What's the purpose of this program?

A. **House Bill 07-1335** initiated this health insurance supplement program. The intent of this bill, passed in the 2007 legislative session, is to provide a supplement for low-income state employees *with children*, in part because state employees are not eligible for CHP+, Colorado's version of the federal program to help insure the children of low-income families.



## **Updates & Reminders**

- For events such as **BIRTH** or **MARRIAGE** or when a spouse **GAINS** or **LOSES** benefits with their job, any change to your State benefits must be completed **within 31 days** of the event. Day One is the date of the event itself. If you miss this 31-day window, you'll have to wait until the next Open Enrollment to make your change.
- Your July pay advice should reflect the cost of any benefit changes you made during Open Enrollment. If you notice a discrepancy, contact your department's benefits or payroll office as soon as possible.



# Staying **Sun-Smart** this Summer

Summer is a time for outdoor fun—playing ball, picnics, swimming, hiking and gardening. But all that time outdoors means more exposure to the sun's harmful rays and an increased risk for sunburns. It doesn't take much sun exposure to get burnt, especially for children. And even though a burn is a painful result of the harm from the sun's ultraviolet rays, know that even a tan represents skin damage.

Getting a sunburn is usually an accidental thing, so it can often be avoided. With the warm-weather months in full swing, here are some facts about what the sun can do and some tips on how to protect yourself and your family when you're out enjoying the summer.

### Problems associated with over-exposure

- Increased chances of skin cancer—90% of skin cancers are caused by over-exposure to the sun.
- Just one or two blistering sunburns before the age of 18 may double the risk for melanoma (a type of skin cancer) later in life.
- Premature wrinkling and brown spots

### **Increased risk**

- It takes less time to burn in Colorado (less atmosphere to block the sunlight). The sun's intensity increases about 4% for every 1000 feet gained in elevation.
- Children younger than six and adults over 60 have skin that is more sensitive to the sun.
- A sunburn may be more severe depending on:
  - Skin type—Those with fair or freckled skin, blonde or red hair, and blue eyes typically burn easily.
  - Time of day—Sunburns are more likely to happen between 10 A.M. and 4 P.M.
  - Proximity to reflective surfaces such as water, concrete, sand or snow.
  - Season—The position of the summer sun can increase severity of burns.



### **Avoiding over-exposure**

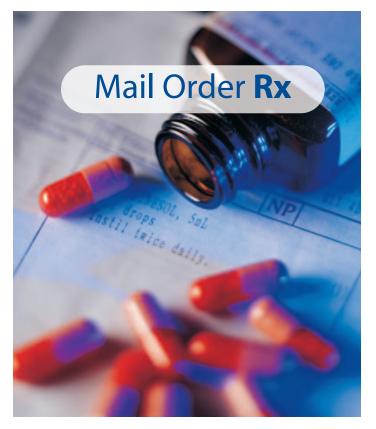
- Avoid sun exposure whenever possible and limit the time in the sun.
- Stay out of the sun between 10 A.M. and 4 P.M.
- Keep babies under 6 months old out of the sun.
- Wear loose-fitting, tightly woven clothing that covers your skin.
- Wear a hat. A wide-brimmed one that covers the scalp, ears, neck and eyes is best.
- Wear sunglasses with UV protection (even children).
- Use a sunscreen that has a sun protection factor (SPF) of at least 30. SPF is the sunscreen's ability to block the sun's rays.
- Use a broad spectrum sunscreen that blocks both ultraviolet A and B (UVA and UVB) rays.
- Use a waterproof sunscreen that won't wash off in the pool or with sweating (but you still have to reapply often).
- Apply sunscreen 30 minutes before going out in the sun. This
  allows it to be absorbed into the skin.
- Sunscreen should be applied evenly over all skin that will be exposed to the sun. Don't forget your ears and the part in your hair. Most people do not apply sunscreen correctly and therefore limit its effectiveness.
- Reapply every two hours, more often if you are in the water.
   Repeat. Repeat again. No sunscreen lasts all day or blocks all of the sun's harmful rays.
- Use a lip balm with an SPF of at least 15. Reapply often.
- If also using insect repellent, put sunscreen on first, to be absorbed into the skin, then the insect repellent.

For more information visit Sun Safe Colorado (www.sunsafecolorado.org), a program from the Colorado Department of Public Health & Environment and the Colorado Department of Education.

Information gathered from Sun Safe Colorado (www.sunsafecolorado.org) and Kaiser Permanente's HealthWise Health Encyclopedia (www.kaiserpermanente.org).







With gas prices rising higher and higher every week, wouldn't it make sense to skip a trip to the drug store or supermarket to get your prescriptions filled? Purchasing your prescriptions via a mail-order program is not only convenient, but it saves you money on the costs of the drugs themselves. How? Using a mail-order program means that you can get a multiple-month supply of most drugs delivered to your door, typically at a reduced cost. For most drugs, mail-order delivers a 90-day supply (or three month's worth) for *less* than three prescription co-pays.

Typically, mail-order is used for maintenance drugs for long-term conditions such as asthma, diabetes, high cholesterol, hypertension, arthritis, or thyroid disorders. Non-maintenance drugs and even medications requiring special handling may also be available. Drugs that have a high potential for waste or diversion may not be available via mail-order.

To find out if your prescription can be ordered via mail-order and what the cost savings would be, contact your insurance company/administrator. Prescription co-pay amounts vary by option and prescription drug tiers so check your option for exact amounts. More information on the State's medical insurance options is available at the Employee Benefits Web site—www.colorado.gov/dpa/dhr/benefits.



## Contact information and Mail-Order discounts for State insurance options

## Self-Funded Plan (OA options administered by Great-West Healthcare)

- 90-day supply for 2.5 co-pays—The \$150 prescription deducible must be met before co-pay amounts for preferred and nonpreferred brand name drugs apply, however the prescription deductible does not apply to generic drugs.
- Mail-order program is provided by Express Scripts Mail Service Pharmacy
- Contact Great-West Healthcare—1.888.788.6326 (1.888.ST8.OFCO)
- www.mygreatwest.com

#### Kaiser HMO

- 90-day supply for 2 co-pays
- Contact Kaiser Permanente–303.338.3800/1.800.632.9700/ in the Colorado Springs service area call 1.888.681.7878
- www.kaiserpermanente.org

#### San Luis Valley HMO

- 90-day supply for 2 co-pays

  —The \$100 prescription deducible must be met before co-pay amounts apply.
- · Contact San Luis Valley—719.589.3696/1.800.475.8466
- www.slvhmo.com

If you are covered by another plan, such as a spouse's insurance, contact that insurance company for information about their prescription mail-order program. Most medical insurance plans offer mail-order to their members.

